

Country Development Strategy Statement

FY 1986

Mauritania



MAY 1984

Agency for International Development
Washington, D.C. 20523

THIS STRATEGY STATEMENT HAS BEEN PREPARED BY THE
A.I.D. FIELD MISSION. IT IS PREPARED ANNUALLY AND
USED FOR PLANNING PURPOSES IN THE FIELD AND IN
WASHINGTON. IT DOES NOT REPRESENT OFFICIAL AGENCY
POLICY.

**

*

Preface

The current FY 1986 CDSS for Mauritania follows the FY 1985 CDSS of January 1983. This last CDSS was not approved by AID Washington in part because of the decision shortly thereafter to terminate all AID assistance to the Ministry of Rural Development. The total value of the bilateral agricultural projects closed-out amounted to \$16 million, or roughly half the value of the portfolio of U.S. bilateral assistance to Mauritania. Similarly, this action reduced the annual level of U.S. bilateral assistance, excluding food aid, from \$5.1 million in FY 1983 to \$2.5 million in FY 1984. AID's authorized direct-hire staffing was reduced from 19 to 12.

In the absence of an approved CDSS, we have operated this past year under ad hoc program guidance covering our on-going food aid plus the initiation of new projects in health and human resources development. However, as a result of discussions concluded early this month with the new leadership of the GIRM Ministry of Rural Development (see Nouakchott 2114), we now propose a re-normalization of the U.S. assistance program here. As outlined in this CDSS, we would focus our efforts on the Mauritanian River Valley, the one area of the country which offers the hope of achieving some measure of food security.

Given the recentness of these developments, there has been too little time to do the kind of analysis needed to set our bearings firmly for the long haul over the balance of the 1980s. This FY 1986 CDSS, therefore, must necessarily be interim in nature and limited to the immediate two-year period, FY 1986-87. As an interim CDSS, we believe it launches us in the direction which makes the most sense for Mauritania and the U.S. - a direction critically important at the margin in this country. The proposed program is highly concentrated, both geographically and in scope. It reflects, we believe, an appropriate level of U.S. resources for this Sahelian country.



Donald F. Miller
Director, USAID/Mauritania
May, 1984

TABLE OF CONTENTS

Preface

	<u>Page</u>
I. Mauritania - The Setting	1
A. The Economy	1
1. Macroeconomic Overview	1
2. Economic Policy Issues	5
B. The Physical Environment	12
C. Political/Social Situation	14
1. Political Developments	14
2. The Human Condition	15
II. Development Priorities and the AID Strategy	18
III. Development Program in Mauritania	25
A. River Basin Development	25
B. Health, Nutrition and Population	32
C. Food Aid and Disaster Relief	37
IV. Resources	41

Attachments

I. List of Other Donor Projects by Economic Sector	43
II. Totals of Donor Funding by Donor Grouping	48
III. Other Donor Activities in the Fishing Sector	50
IV. List of Emergency Food Aid by Donor	51

1

I Mauritania - The Setting

A. The Economy

1. Macroeconomic Overview*

a. Gross Domestic Product by Sector

Major trends in the Mauritanian economy are revealed by the following table showing the sectoral distribution of the Mauritanian gross domestic product (GDP):

Evolution of GDP from 1970 to 1983
(current prices in millions of UM and percentages)

Sector and Subsector	1970		1973		1978		1981		1982		1983	
	UM	%	UM	%	UM	%	UM	%	UM	%	UM	%
Rural Sector	2664	25	2145	18	5524	24	14784	37	12528	25	2700	9
Agriculture	464	4	322	3	497	2	1476	4	1602	3	335	1
Livestock	2200	21	1823	15	5027	22	13308	33	10926	22	2365	8
Fisheries	450	4	771	7	607	3	439	1	500	5	1752	6
Industry	3335	31	3776	32	3920	17	7168	18	7750	21	7535	26
Mining	2810	26	3140	27	2476	11	4831	12	5342	14	4293	15
Others	525	5	636	5	1444	6	2337	6	2408	7	3242	11
Services	4189	0	5156	43	12895	56	17974	44	17145	49	16891	59
Public Works	700	6	569	5	1179	5	2726	7	2888	3	1164	4
Transport, Trade, & Other Services	2192	21	2881	24	6511	28	8310	20	9341	31	10618	37
Public Services	1297	13	1706	14	5165	23	6938	17	4916	15	5109	18
Nominal GDP at Factor Cost	10638		11848		22946		40365		37923		28878	
GDP at Market Prices	12123		12919		24908		43234		41419		32821	
GDP at 1973 Prices	n/a		12919		15178		18217		16998		15704	

* Restricted access to information on the National economy and serious divergencies between the various national information sources render imperfect the perception and calculation of Mauritania's macroeconomic aggregates.

The Rural Sector contribution to GDP shows significant fluctuations which are primarily the result of the drought. Significant drops in the sector's contribution to GDP in 1973 and 1983 (years during which the drought was particularly severe) exemplifies this relation. With the exception of 1983* this sector remained strong even during drought years, accounting for as much as a third of GDP. This continued strength is due to the substantial contribution of livestock raising, a deeply rooted traditional activity in this country. The Industrial Sector has shown limited progress. The weakening of international iron ore prices and the depletion of high quality ore reserves have had important negative impacts on this sector. Future reliance on expensive refining processes will limit any possibilities of profitability. The progress that has occurred in this sector has come from smaller industrial units such as fish processing, gypsum mining and plaster production. The Fishing Sector contribution to GDP has increased by 55 percent in real terms since 1973. Despite this, the sector occupies a relatively unimportant position with respect to the overall economy. Paradoxically, the richness of the fishing grounds suggests that this is the sector with the greatest potential for future growth. The Service Sector maintains its dominant role in the economy, which it has held since the early seventies. Services and fisheries were the only two sectors to achieve real growth in the period presented.

b. Per Capita GNP

Per capita gross national product (GNP) figures are not provided Mauritanian statistics. Therefore, the foregoing discussion has focussed on GDP figures which are provided. Deduced from available economic data,

* The magnitude of the 1983 decline may be partially a result of the preliminary nature of the 1983 data.

per capita GNP was \$448 for 1981 and \$336 for 1983. These unofficial calculations tend to confirm the recent Mauritanian economic decline.

c. Public Finances

(1) National Budget: Revenues for 1983 fell 18 percent short of initial budgetary projections. The total volume of revenues (in current Ouguiya) is only three times greater for 1983 than for 1973. During the same period revenues in real terms did not increase at the same rate as GDP. The only noticeable progress is in taxes on international trade: These yielded 55 percent of fiscal revenues for 1983. Revenues generated by the fishing sector consistently fall short of expectations, despite a slight increase for 1983.

Taxation suffers from defective implementation: According to a recent International Monetary Fund (IMF) report, potential measures both to cover arrears and to widen the application of taxes, could result in additional annual revenues of two billion UM (approximately 35 million dollars). This would cover more than half of the 1983 budgetary deficit estimated at 3.1 billion UM or 55 million dollars.

Contrary to the revenues, expenditures match or exceed projections. They are concentrated on operational expenses: Forty-seven percent for civil and 22 percent for military personnel and material. The remainder of the budget expenditures is divided among subsidies and transfers, general expenditures, and interest payments. Overall expenditures have quadrupled since 1974, outpacing revenues and deepening the gap between resources and expenditures.

(2) Debt and Investment: The Mauritanian debt burden has increased 76 percent since 1977 alone. The explanations are twofold: First, high levels of national investments and, second, successive budgetary deficits. The overall debt service burden for 1983 is 2.5 billion UM to which should be added 1.5 billion UM for arrears which amounts to more than 30 percent of export revenues for 1982. The overall debt for 1983 has been estimated at 19 billion UM which is far in excess of annual budget revenues. The cost of projects underway in Mauritania is more than twice the value of GDP (about 72 billion UM or 1.26 billion dollars). The unsuccessful nature of past investments which have not returned incomes commensurate with their costs has made this level of debt insupportable. Debt renegotiations are envisaged. These should be accompanied by sharp reductions in the level of investments from as much as 50 percent of GDP to around 15 percent of GDP and a channeling of investment funds into more productive activities.

d. Foreign Trade

Mauritania depends on foreign trade since both agricultural and industrial production levels are so low. Food constitutes 33 percent of imports and oil products 25 percent. The total value of imports increased 18 percent for 1982, while the total value of exports fell five percent. Whatever growth there was in fish exports has been negated by decreases in both the quantity and value of iron ore exports.

Nearly successful government efforts to contain trade deficits were pursued until 1981, but since then the situation has been allowed to seriously deteriorate. The trade deficit increased by 69 percent between 1980 and 1982, from 5.7 billion UM (100 million dollars) to 9.6 billion UM (169 million dollars). Balance of payments deficits have tripled since 1975 with the strongest single change over the previous year being an increase

of 60 percent in 1982. The overall deficit has been influenced by the strong increase of non-monetary capital* and more particularly by the growth by 150 percent in 1982 of official disbursements for public enterprises. The alternating surpluses and deficits in the overall balance of payments illustrate the instability of the Mauritanian economy, which is very dependent on foreign trade and poorly organized to control economic factors which could contribute to stabilization.

2. ECONOMIC POLICY ISSUES

a. Economic Context

The rapid desertification affecting the country overall has led to increasing sedentarisation of the nomads in oases or urban centers, presaging a major rural exodus and aggravating social pressures, mostly in Nouakchott. Urban unemployment is increasing. The increased demand for food accelerates localized inflation. The December 1983 Mauritanian consumer price index shows an increase of 39.5 percent over May 1981. The general price index showed an increase of 30 percent over the same period. Annual inflation has been close to 11 percent, but salaries have not increased at the same rate. The 1982 salary of the senior civil servant (category A) has been increased by only 11 percent over what it was ten years earlier in 1974. The minimum wage level, fixed at 4,200 UM/month in 1984 (about \$74 per month) remains extremely low. The resulting loss of real purchasing power has been considerable, making food aid of prime importance for both day-to-day survival and social equilibrium.

Grain production has begun to be encouraged by the system of official prices. As the sale price of food aid has risen due to consumer price policy reform, the farm-gate price paid to producers has also risen to a

* direct investments, official disbursements and amortizations

reasonable incentive level. In addition, the GIRM has begun to intervene in the market as a buyer of last resort to support the producer price. It must be realized, however, that given the extreme environmental conditions in Mauritania and the rudimentary nature of agricultural techniques and inputs, the financial incentive is a necessary but far from sufficient condition for increased agricultural production. The balance of benefit for the present is on the side of the urban resident who has greater access to international food aid cereals being sold by the GIRM at less than world market prices.

Livestock prices are controlled by administrative decree, but since meat sales remain under the control of traditional marketing networks, effective control is often not possible. Livestock herds are a popular and particularly mobile form of Mauritanian investment, thereby lessening the possibilities of control and increasing the chances that neighboring countries will reap the benefit of Mauritanian production.

b. National Options

Mauritania has opted to base its development on its mining resources concurrently with agricultural development in the Mauritanian River Valley in the southern part of the country. But pursuing the mining option is costly for the country and generates only a limited fraction of budgetary resources or employment.

Economic activity is primarily centered on trading which stimulates the greater part of development credits (35 percent for 1983); the mining and fishing sectors each receive 13 percent of the same credits.

The agricultural priority is to reduce the dependancy on food aid and imports / using the available agricultural potential, essentially in the River Valley. This should function to stabilize the rural population, the

bulk of which is in the Valley. Unfortunately some key agricultural projects desired by the GIRM face major financing problems. Donors are hesitant to finance prerequisite investments in water resource development and communications, both of which involve costly initial outlays and high associated recurrent costs. Furthermore, such infrastructural improvements are not immediately productive, yet until financing is forthcoming the GIRM will be unable to move ahead with many of these basic projects.

Due to the non-existence of domestic savings and the meager contribution of the budget, the amount of the financing available at the national level remains insufficient to support investments. Investment expenditures represent five percent of budgetary expenses, but nearly 50 percent of all government spending when donor contributions are counted. Mauritania is, thus, dependent on foreign financing (short to long term funding).

The country must struggle just to release those budgetary resources required to cover the recurrent costs of on-going projects. Nor will the majority of projects now underway be very likely to generate a production surplus in the near future. Thus, Mauritania finds itself in a difficult intermediate status in which it attempts to put in place facilities indispensable for development (road infrastructures, irrigated zones, teaching and medical capacities, etc.) almost entirely - directly or indirectly - at donor expense.

The country's debt resulting from direct consecutive foreign financial commitments is, in the short run, too high for the country. The present budget deficit, fed by unrealistic public investments, budgetary deficits and trade deficits during the past years, requires an economic recovery plan (plan de redressement).

c. Impact of International Economic Situation

Mauritania is becoming more and more dependant on foreign assistance in its external accounts. Only 50 percent of imports were covered by exports for 1982, though it had been 80 percent for 1975. This deterioration appears to have been caused by the growth of demand for food and equipment imports combined with a long term decline of international trade with Mauritania in general. Imports, equal to 44 percent of GDP for 1975, constituted over 63 percent for 1982. There does not appear to be a policy aimed at controlling or reducing the relative value of imports.

Mauritania's past use of an over-valued currency during this economic recession was not favorable for the country and obscured the true cost of imported items. Consequently, Mauritania became increasingly dependent on imports both of consumer goods and factors of production.

The ouguiya was allowed to depreciate 15 percent from 1980 to 1983. Strong pressure for devaluation came from the 1983 five percent decrease in world iron ore prices. This loss of foreign exchange earnings (which was not accompanied by an equivalent decrease in import expenditures) aggravated the balance of payments deficit, and in combination with general changes in UM parity, led to a three percent decline in the true value of the Mauritanian currency.

The GIRM is presently allowing formal depreciation to continue. This will benefit the country by increasing import prices to levels which more accurately reflect the value of the goods to Mauritania. However, in the short term the adjustment process will be painful for those industries and consumers accustomed to purchasing imports at unrealistically low prices.

The GIRM may facilitate this adjustment process by undertaking certain policy reforms. Measures which we understand are being considered include securing foreign exchange revenue by more vigorous collection of commercial

fishing royalties and discouraging imports by enforcing stricter collection of import duties. These measures, if adopted, would tend to reduce the balance of payments deficit, thereby alleviating some of the downward pressure on the Ouguiya.

d. Emerging Economic Recovery Plan (Plan de Redressement)

The Ministry of Plan established a series of macro-economic projections for the 1984-88 period to determine the macro-economic framework for a proposed recovery plan (plan de redressement) being designed in coordination with World Bank and IMF experts. These projections hypothesized economic stagnation in 1984, but the start of a period of economic growth from 1985 onward. The appropriate projected rate of growth for the plan has been a topic of much debate. The Ministry of Plan and IMF position is that the recovery plan cannot be realistically designed to achieve a more than three percent per annum growth rate. The IBRD has maintained that rates less than six percent per annum will fall short of requirements to redress the current Mauritanian economic woes. Achievement of even the more realistic estimate of three percent per annum will require vigorous and strict adherence to recovery plan stipulations and recommendations. We anticipate that the three percent estimate will prove unattainable, but is certainly more closely tailored to the staggering task facing the GIRM. Growth rates for recent years have not been released; stagnation has been claimed instead. Rates have very likely been negative and while no recovery plan has been in effect, it would appear to be overly ambitious to target any greater acceleration than this three percent figure represents.

Preparation of this recovery plan is now well underway, based on the three percent growth rate. Finalization is scheduled for the summer of 1984. The World Bank and the IMF have discussed a large array of economic problems

and have elaborated on: Exchange rates, balance of payments, budget situation, banking problems, semi-public sector and the investment program.

IMF Recommendations

The December 1983 IMF mission to the Central Bank of Mauritania (BCM) assessed the current public finance situation. Based on their findings, they proposed a number of future actions which we understand include a series of revisions for budgetary procedures and operations (with respect to revenue generation and expenditures), continued devaluation of the Ouguiya (by as much as 30 percent) and a debt rescheduling conference. They have also decided to undertake a recurrent cost study and to investigate possibilities for self-financing and other untried forms of budgetary funding.

This mission also suggested the creation of an annual investment budget to include projects financed by external resources. Such a budget would forecast annual funding requirements, based on program authorizations, for all multiyear investment projects. Complementing this, a subordinate accounting would show annual expenditures for these same projects.

IBRD Recommendations

The World Bank has made commitments in certain specific sectoral missions (public enterprises, SNIM, rural sector), particularly in one to revise the public investment program. In February 1984, the World Bank submitted to the Mauritanian Government a memorandum on the public investment program in Mauritania. The major target was the reduction of the level of investment to 15 percent of GNP by 1986. The achievement of this target will require a far stricter screening of investment projects than now exists. Accordingly, a series of measures were considered. The effect of such measures would be to strengthen evaluation of new projects and improve follow-up of projects

already underway (updates of feasibility studies, calculations of internal rates of return, and periodic reports).

Supported by the Bank, the Ministry of Plan is thus suggesting to the government the creation of planning units in all technical Ministries on an as-needed basis and new procedures for selection and direction of new projects. These new procedures will, in practice, force all new investment projects to be submitted for the approval of the Council of Ministers.

Finally, a donors' conference on the revised investment program was proposed for 1984 or '85. Conference aims for the period from 1986 onwards would be to reorient a portion of available aid towards the most urgent recovery (redressment) needs and to ensure long-term assistance in directly productive sectors.

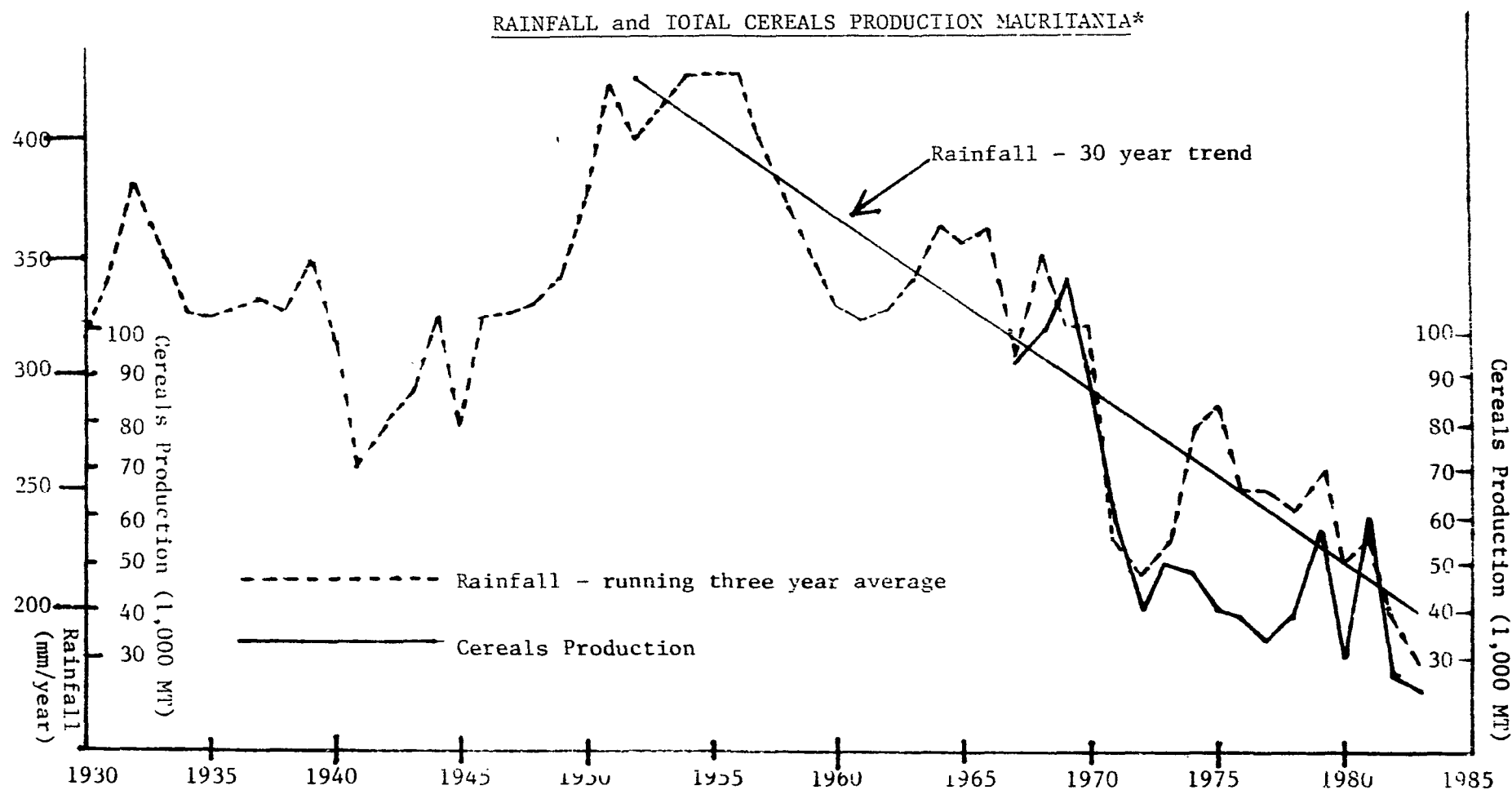
B. The Physical Environment

Mauritania was largely capable of feeding itself at the time of independence, either from its own production or from commercial imports of foodstuffs. The economic downturn suffered by the economy in the '70s and into the '80s, as detailed in Section I.A, has substantially reduced the country's ability to import on commercial terms. Lack of rainfall, as shown on the following chart (page 12a), has disrupted and in some years crippled the country's own food production capability. Precipitation has averaged well below 300 millimeters per year, as the chart indicates, ever since the late 1960s. Periods of drought with precipitation averaging below 300mm annually also occurred in the early 1940s. The present low levels of rainfall however are without precedent in the 50 year period for which records are available. National cereals production stood at approximately 15,000 tons for 1983, about five percent of national requirements. While the effects of the current drought on livestock are less clear due to its highly mobile nature, there is no doubt that substantial physical and financial losses are also being felt in the livestock sector.

Lack of rainfall, lack of adequate range management practices, and the continued conversion of trees to charcoal and shrubs to animal fodder accelerates the steady process of desertification in Mauritania. Precise measurements or statistics of the loss of productive land are not available, but the continued pressure on natural and human resources is obvious.

Evaluation of ecological trends in recent history indicates that at some point, the current drought cycle should end. But the long duration and severity of the current phenomenon and the lack of reliable predictive tools in the meteorological field leave national planners, international donors and the farmers and herders of the country in uncertainty. What is

RAINFALL and TOTAL CEREALS PRODUCTION MAURITANIA*



* SOURCE: Rainfall data 1930-1980 from RAMS AE 4-3 Annuaire Statistique Vol 1, Juillet 1981. 1981-1983 data for both rainfall and production from Plan d'Action d'urgence Commission Nationale d'Assistance aux Populations Eprouvee par la Sècheresse, Nov. 1983. Cereals Production data 1967-1980 from FAO printout dated June 1980.

certain is that the present environmental condition of the country has produced major, permanent changes which must be taken into consideration in future development planning.

Over the past 20 years, the country has been transformed from a largely nomadic society to one which is now largely sedentary and concentrated increasingly in urban areas. Nouakchott may contain between a quarter and a third of the entire population of the country. Services of other major rural towns such as Kiffa and Kaedi are being strained by the influx of people from the countryside where, under the current conditions, their traditional way of life is insupportable. Should the drought continue another year, a further increase in the number of people who could be classed as refugees is inevitable.

Drought conditions are making life in the northern oases regions increasingly untenable as water tables are lowered and vegetative cover disappears. In some cases, the very existence of palmeries and associated villages is threatened by moving sand. The return of sufficient rainfall would ameliorate some of the worst effects of the drought; but the cumulative damage in terms of forest lost, productive land lost and a nomadic way of life disrupted means that this is a very different country than it was 20 and more years ago. It is a country which must adapt to the reality of a steady pattern of sedenterization and urbanization and of dependence on the Mauritanian River Valley for its agricultural livelihood.

C. Political/Social Situation

1. Political Developments

The Military Committee for National Salvation (CMSN), which is the governing entity of the country, recognized the Saharan Democratic Arab Republic in February after five years of strict neutrality in the Sahara conflict. The event, clearly the major development of the past year, was both preceded and followed by major strains and adjustments in internal affairs. It brought to the surface and exacerbated political divergencies within the government itself and among the population. It also provoked unrest and dissension as well as relatively minor disturbances. Student and worker demonstrations, blamed on the activities of externally-funded groups, led to some arrests, several injuries, at least one reported death, and heightened internal security measures. Certain activities such as a student strike, continue in some areas. A major reshuffling of the government took place at the same time; almost all the key figures remained in policy-making positions but a major realignment of senior military officers was undertaken to improve defense capabilities. Despite these kinds of personnel changes in the government, President Haidalla is very much in charge and appears to be the sole figure capable of maintaining Mauritania's fragile national unity in the current troubled regional context.

These issues tended to distract attention from the imperatives of economic development and current efforts to deal with the continued and devastating drought. The latter concern, however, was sufficiently compelling to resume its place as the CMSN's number one preoccupation very shortly after the recognition issue subsided. The growing and fully justified fears of the top leadership are evidenced by frequent personal involvement in emergency efforts to provide food to a population that is facing the

increasing possibility of a famine. With respect to longer range issues, the government's commitment to development seems unchanged but the pre-existing constraints will continue to impede efforts, particularly the difficulty in according required priority to a long list of things all of which must be done first. This organizational failing, plus a critical lack of financial resources and qualified personnel, will weaken the capacity to deal with increasingly urgent economic problems.

The reluctance of the gulf Arabs to continue the balance of payments support observed over recent years will probably grow stronger as the result of the recognition of the Polisario, further limiting economic development resources available to the CMSN. Emergency and food aid, however, plus a limited amount of project assistance can be depended upon from a wide range of bilateral and multilateral sources including those sources which are predominantly Arab.

Mauritania's moderate political policies and stability merit support and encouragement and make it worthy of the widespread economic assistance it receives. American economic programs have played a major role in the survival of the nation since independence, and particularly in the worst years of the drought - the early seventies and 1984. The CMSN's awareness of and gratitude for this assistance has been a major factor in enabling us to advance a number of our critical foreign policy objectives here, in the region, and elsewhere.

2. The Human Condition

The general economic malaise in Mauritania, the drought, and weakness of the service delivery system, particularly in rural areas, are chief among the factors which contribute to the poor condition of the Mauritanian human population. The salient characteristics of that population are high

mortality, low life expectancy, a relatively high rate of population growth, and high levels of unemployment and underemployment. The present environmental conditions are contributing to increasing rates of malnutrition and vitamin deficiency. Recent Ministry of Health-USAID studies in the Tagant, Trarza and Adrar Regions indicate that 12 percent of the children were suffering from acute malnutrition (80 percent of the reference weight for height). Rates greater than ten percent have been seen only in extreme crises such as Biafra in 1969 and the Sahel in the mid-1970s. These field studies also revealed scurvy, widespread incidence of severe anemia, and xerophthalmia (vitamin A deficiency). There will be loss of life, particularly among children, attributable to drought conditions this year, but the extent of that loss is unknown at this time. Among adults chronic debilitating diseases such as malaria, diarrhea, measles, pulmonary tuberculosis and schistosomiasis are prevalent. These have negative repercussions for the productivity of the people and, as a consequence, for prospects of economic development. For mothers, diseases related to pregnancy, hemorrhages, anemia, toxemia and labor complications, and post-partum infections are disproportionately significant.

The average life expectancy in Mauritania is estimated at 43 years. The overall crude death rate is high at 22 per 1,000. It is significant to compare the vital statistics of Mauritania, which is not classified as a "relatively less developed country," with the average rates for 33 relatively less developed countries as reported by the World Bank in 1982 (World Development Report, 1982). These countries have an average infant mortality rate of 94 per 1,000 (versus 170 for Mauritania), a child mortality rate of 22 (versus 100), life expectancy of 57 years (versus 43), and a crude death rate of 12 (versus 22).

Human resources in terms of literate, trained personnel are extremely limited in Mauritania. Despite large increases in the last decade in primary and secondary school attendance, only 25 percent of Mauritanian children attend primary school. Of these, only 35 percent continue with secondary school training. Those who do not continue have no opportunities for further vocational or technical training. Within the baccalaureate program, the majority of students opt for training in the literary and mathematics cycle as opposed to science. Given the low number of primary school entrants and the diminishing number of students qualifying at each additional level, it is not surprising that all sectors of the economy and government suffer from a dearth of adequately trained personnel. Those trained personnel that do exist are overburdened with a wide range of responsibilities. Most significantly, many of these few qualified technicians (e.g. doctors, engineers) have administrative responsibilities which limit the time they are able to devote to their own specialties. This situation has important implications for all development activities, for without a significant increase in trained administrative personnel, donors will continue to find themselves relying on the skills of a very small number of overburdened personnel, with no possibility of project operations being enjoined by Mauritanian counterparts.

II Development Priorities and the AID Strategy

Introduction

The AID program strategy focuses on food security: The first priority is to support government relief operations that maintain life and the support systems that keep the population alive and malnutrition at a minimum. Mauritania's ability to feed its population and the frequency with which it experiences emergency drought conditions require that the USG assign top priority to emergency relief activities which can include food distribution and the provision of complementary health and transportation support. As emergency needs are met, the developmental component of food security assumes greater importance.

U.S. Development Strategy

The development strategy is concerned with improving GIRM cereals price policies, increasing agricultural production and productivity, and building the institutions that support food security in Mauritania. Health, nutrition and population activities are an important factor in the food security equation. High morbidity rates are translated into low productivity and an increased burden on a people already impoverished by a weak resource base.

Our development program has a geographical focus on the Mauritanian River Valley. Knowing that U.S. technical know-how strengths in agriculture can be applied in Mauritania, and having determined that there is really only one area in Mauritania where substantial increases in food production are possible, we have decided to concentrate our development efforts in the Valley. The objective of the projects that will ultimately follow from the implementation of this strategy will be the improvement of Mauritania's food security situation. Projects will follow in agricultural research,

agricultural production and rural road construction, all supported by selected health activities.

The Mauritanian economy depends heavily on livestock, mining and services. A substantial portion of Mauritania's very limited resources is being absorbed by civilian and military bureaucracies, leaving little for investment in more productive sectors. Mining, already heavily supported by donors, has a questionable future given the high cost of new processing techniques planned for iron mining operations and the inaccessibility of other minerals. The status of livestock management indicates that the traditional approach to herding in the Sahel is very well adapted to existing conditions and fairly efficient, given the circumstances under which it operates. Donor investment in this sector, even on a substantial scale, would probably yield marginal results.

The existing structure of the economy does not provide a useful guide for setting future developmental priorities. The government's Fourth Development Plan emphasizes broad-based revitalization of the rural sector; however, this rhetoric is belied by a continuing pattern of heavy investment in industrial projects. Foreign loans are overburdening the economy with debt for questionable industrial projects such as sugar and oil refineries. A reordering of priorities is required.

Rural livelihoods, other than from livestock, have been derived from various forms of agriculture, including: Recessional cultivation along the river and behind small earthen dams which trap seasonal run-off; oasis cultivation using available groundwater; purely rainfed cultivation; and, more recently, irrigated cultivation. Prevailing environmental conditions now so raise the level of risk associated with traditional dryland methods that further investment in these, except in association with the development of the River Valley, is no longer economically justifiable.

Agricultural developmental emphases then must be placed on the River Valley where conditions of reduced risk from drought through improved water management may be achieved. Both the Diama and Manantali Dam projects are now underway; donors are beginning to marshal resources in anticipation of opportunities presented by controlled River flow for irrigated agricultural development, river transportation, and power generation. U.S. participation in these Basin-wide developments has been in the planning stage for many years. The goal of U.S. assistance in the Basin should be the reduction of the staggering food deficit which faces the Sahel region as a whole and Mauritania in particular. Our focus should be on the end product: Increased traditional crop and other food production or, perhaps, cash crop production for export to generate revenue with which to purchase food. Prerequisite requirements, all of which will require donor support, include the creation of an effective system of research and extension, feeder roads in production areas to facilitate transport and commerce, and the improvement of Mauritanian capacities to plan and manage development activities in the River Valley. While the U.S. may eventually want to support other movements toward self-reliance (such as fisheries management or oil exploration), improvements in roads, health services and human resources are the urgent and essential prerequisites.

The goal of River Valley development in Mauritania is, in the long run, a reduced dependence on donor-supplied food and a reduction in the net drain on foreign exchange used for commercial food imports. It is not food self-sufficiency. The most elaborate and extensive program of irrigated land development, even in concert with some revival in rainfed production should the drought subside, will not produce food self-sufficiency for Mauritania in this century.

Food security or self-reliance is a more realistic long-term objective. Sustained production-related activities in the Valley can be expected to achieve effective employment for large numbers of the riverine population both in agriculture and in associated industries and commerce. Such employment will be necessary to stem the flow of people being forced to abandon the rural environment, even along the banks of the River. GIRM policy reforms, some already in process, facilitating the availability of agricultural inputs and the evolution of market incentives for agricultural commodities, will be required. These requirements will be central to AID's policy dialogue with the Mauritanian Government. Specific recommendations will have to be identified by operational research in the Valley and by ongoing OMVS initiatives. Most important will be identification of the optimal production packages for Valley agriculture. Such packages do not yet exist. We need to determine the best River-related production emphasis be it primarily irrigated or a combination of irrigated and recessional. Achievement of food security in Mauritania is a long-term objective. Neither prospective policy reforms nor prerequisite institutional and infrastructural developments will materialize rapidly. And the short-term economic outlook is grim. The need for continued high volumes of food aid for the short run is a certainty and is highly probable for the medium-term. The current PL 480, Title II, Section 206 program has served U.S. interests well as a means of providing needed grain to the country, as a tool in the dialogue on food price policy, and as a means of channeling local currency proceeds to production and development-oriented activities. We propose that once the current PL 480 Section 206 program which ends in FY 1985 be continued for two additional years. Movement toward food security should include improved exploitation of a resource of great potential, Mauritania's fisheries, known to be among the

richest in the world. Research indicates that the artisanal fishery alone could theoretically supply all the protein needs of the entire Mauritanian population. The potential of the industrial fishery as a source of foreign exchange is enormous. However, Mauritanian ability to exploit this important renewable resource has been hampered by lack of local knowledge of the fishing trade, of an ability to control and monitor expatriate fishing activities for the public good, and of effective legal and administrative structures to reap national benefits from participation with foreign partners in joint fishing ventures. The result is that the fishing sector contributed only an estimated six percent to GDP for 1983.

The U.S. Government, noting the importance of this resource for West African states, is planning a series of regional activities to explore how best to assist in fisheries development. This Mission is prepared to consider such initiatives insofar as they may be applicable to Mauritanian fisheries development and fit within the limits of AID's strategy for Mauritania. Beyond possible near-term involvement of U.S. private sector interests in the offshore fishery, we will be looking ahead during the 1990s to the prospects for riverine fishery development based on regularized River flows.

Economic growth, particularly in the rural sector, requires a population which is fit to work and a society capable of meeting its own basic human needs. These needs in Mauritania extend to survival itself in terms of protection against contagious childhood diseases, other endemic diseases which incapacitate and kill adults, and severe malnutrition and starvation. The Government of Mauritania, supported by U.S. assistance, has begun to mobilize itself to deal concretely with these problems. It has initiated a policy emphasis on preventive health care to complement its existing focus on urban-based curative care. A national program of immunization both for

children and for mothers of child-bearing age has been initiated. Improvements are also being made in the institutional framework which supports primary health care. A national commission has been established to set primary health care policy and coordinate its execution. These are first steps. The continuing high incidence of infant mortality and adult and child morbidity indicate that many more steps remain.

Responding to the great need for support in health and the promising start in primary health care, AID has determined that continued interventions in health are appropriate and useful in Mauritania. We will continue to use a portion of our resources to support the extension and institutionalization of an affordable system of rural health care. Efficient functioning of such a system must include the institutionalization of improved technical and administrative skills at all levels. Long-term planning must be supported so that logistical and financial implications of national health actions are known and adequate support for these actions assured. Population dynamics will be considered; AID will assist the GIRM in taking first steps to promote formulation of a Mauritanian population policy which integrates family planning concepts into existing health systems.

These essentially central interventions cannot be geographically focussed because of the national administration of the health programs involved. Our current support for the national immunization program spreads certain resources of the Rural Health Services project throughout Mauritania. We do not contemplate any follow-on health intervention which would require an equivalent dispersal of resources directly supported by U.S. assistance. Other efforts under this same project to confirm the replicability of the village health worker scheme developed in the Trarza region will be undertaken in regions, which like the Trarza, are coincident with our Valley-oriented geographic focus.

All development initiatives are overshadowed by the resurgent drought. Subnormal rainfall conditions have persisted and worsened since the major drought of the late 60s and early 70s. Conditions are now equal to, or worse than, those of the last major drought period. This time, increased donor presence is in-place, enhancing awareness of Sahelian problems and rapid mobilization to meet emergencies. Mauritania required approximately 160,000 metric tons of donated grains this year to meet the needs of its people. Virtually all these grains are being provided by donor contributions. The U.S. Government responded with an emergency program for 1984 which may provide up to 25,000 tons of grains, 1,300 tons of powdered milk and 2,500 tons of butteroil. (This emergency program was in addition to the ongoing Section 206 food sales program and Catholic Relief Services food and nutrition program.) This U.S. response to a GIRM appeal and plan of action presented to donors last fall included up to \$250,000 for medicines to meet increased health hazards caused by the drought and the equivalent of approximately \$1.55 million PL 480 program local currency generations to be used to deepen old wells and dig new ones to provide water for human and animal consumption.

The same or greater donations will be needed next year unless conditions alter dramatically. When rains finally return, the consequences of this drought must be assessed and rehabilitative measures considered. We emphasize the drought and its consequences because its severity has been masked by the well-organized and timely response of the GIRM and donors, and because relief efforts are in direct competition with our developmental interests (less from a budgetary perspective than because of the need to devote scarce technical and managerial AID personnel to drought relief programming and administration).

III. The Development Program in Mauritania

A. River Valley Development

1. Goal: Food Security for Mauritania

The Africa Strategic Plan emphasizes agriculture because of its importance in Africa as a source of employment, income and foreign exchange. Food production in Mauritania contributes little to the GDP and the overall food situation produces a net drain on foreign exchange. However, agriculture remains vitally important as a means of sustenance and employment in the rural economy. Our short and medium term goal is to mitigate the further erosion of the rural employment and income base and to reduce the drain of foreign exchange created by the need to import food. The long run development of the Mauritanian River Valley can lead to a significant reduction of Mauritania's food deficit and may hold the only potential for the production of significant earnings from the export of cash crops as well. Alternatives to this focus on Valley production are sharply limited for Mauritania (note discussion in Part II above).

Our goal differs from the self-sufficiency objective of the Sahel Regional Strategy because of the latter's impracticality on a national scale. The Club de Sahel and CILSS regional endorsement of that objective and its adoption as a national slogan may have had the effect of focussing agricultural development on a limited number of cereals production options thus retarding development of national policy alternatives. We ascribe to a viewpoint which is well-stated in AID's "Food and Agricultural Development Policy Paper":

"A.I.D. does not rigidly subscribe to the goal of food self-sufficiency. A.I.D. supports a balanced approach involving economically viable expansion of agricultural production, including production for export and importation of food and agricultural products where comparative advantage exists."

2. Objectives, Implications and Benchmarks

Observations based on our own program and the thinking of others as noted in many AID planning documents leads us to conclude that attempts to leap to increases in production without a sufficient base in terms of human resources, research, policy framework and infrastructure will fail. For example, the draft Sahel Development Strategy Statement (SDSS) states that development of new hectarage:

"...should be accelerated only after the present base of infrastructure is well-utilized, policies which will assure incentives to produce are in place, and marketing, processing/infrastructure is operational at minimal levels of efficiency."

a. Objective: Improve Policy Environment

AID's current emphasis on policy reform is to stimulate the Mauritanian agricultural sector. The need to allow market forces to operate more freely regarding agricultural inputs and outputs is key to agricultural growth. The government sets producer prices for cereals and maintains floor "farm-gate" prices. Historically, these have been at disincentive levels in the classic mode of supporting consumption at the price of low returns to the producer. Recently, however, producer prices have risen to more reasonable levels and the GIRM has begun to support them with selective market interventions. Excess production, currently at near zero because of the drought, may or may not be stimulated over time by these farm-gate prices. The uncertainty arises not because these prices are low in the absolute sense, but because they are low relative to the high costs of production in Mauritania. Because of this condition, the government found it necessary until recently to subsidize some imported agricultural inputs such as fertilizer. These subsidies are being gradually lifted. Such economic inefficiencies have been compounded in the past by managerial

weaknesses of SONADER, the parastatal charged with River Valley Development. Continued lack of a clear policy on rural land tenure may also hamper agricultural development. Operational research is needed to identify feasible ideas in the policy area, negotiate them, and test their viability. Our purpose will be to support the specific policy conditions emerging from this process which we will design into our program.

-Implications:

- * Continued assistance in movement of output prices toward market parity - P.L. 480 Program
- * Emphasis on reducing proportionate role of SONADER and reducing input subsidies through any production oriented activity in the Valley
- * Emphasis on defining and resolving land tenure problems associated with Valley Development
- * Inclusion of price policy research dealing with supply and demand elasticities

-Benchmarks:

- * Output pricing for basic cereals set at incentive levels by the end of 1988
- * GIRM development of a program for the gradual phase-out of input subsidies
- * Expanded private sector involvement in input distribution and output marketing
- * Positive resolution of tenure problems identified in any AID financed irrigation scheme

b. Objective: Improve Human Resource Capacity to Plan and Execute the Mauritanian River Valley Development Program

AID has recognized the severe constraint on development which results from the lack of qualified Mauritanian managers and technicians. A relatively high number of Mauritians receive donor-supported training annually, but little of that is high quality training focussing on the skills required to efficiently manage high-priority agricultural or food production endeavors.

Heavy emphasis on qualitative, highly selective human resources development was recommended in the Concept Paper for a Human Resources Development Project (September, 1983) and in the subsequent Human Resources Development Project Identification Document, both of which have been reviewed and accepted by AID. The approach parallels that recommended in the draft SDSS:

"AID's resources in the area of human resources development will be channelled, as a short-term priority, into technical and management development and training in those skills required for successful implementation."

-Implications:

- * Continued heavy emphasis on human resources development as a component of all AID-supported projects
- * A special program devoted to the improvement of human resources to meet the needs of the River Valley Development program and other programs supported by AID
- * River Valley Development will require a particular emphasis on research and extension. Therefore, human resources development efforts will focus heavily on the needs of the National Center for Agricultural Research and the National Agricultural School

-Benchmarks:

- * Existence of a select cadre of highly qualified researchers at the National Agricultural Research Center over a period of up to seven years
- * Establishment of the capacity of the National Agricultural School to produce between ten and 30 fully qualified agriculturalists annually
- * Improved quality of research and extension work in the River Valley as a result of these training programs

c. Objective: Improve the Communication and Transfer of Technology Between Research, Extension and Production Functions

Agricultural research is being conducted in Mauritania. Both SONADER and the Directorate of Agriculture maintain extension systems, although their operations are severely limited by the lack of sufficient operating budgets. However, there is little communication of research results to

extension agents or from them to farmers. Extension agents, in fact, have little at their disposal to transmit to farmers and lack the means to reach them in the first place. These gaps in knowledge, communications and technology transfer will only be overcome through an organized approach to operational research. This in turn will require an on-the-ground technical assistance effort to identify optimal agricultural production packages and the relating of these directly to the work of those Mauritanian institutions involved.

- Implications:

- * Strengthen the institutional capacity of the National Research Center to conduct research on and demonstrate applications of optimal growing methods for the Valley
- * Identify cost-effective means of spreading operational research results and other forms of technological improvements for Valley farmers

- Benchmarks:

- * A functional research operation involving farming systems research and demonstrations producing and disseminating information on varietal trials and agronomic techniques of usefulness in the Valley by 1990
- * Identified and effective means of transferring technology and information from the research level to the level of production available and being used by 1989

d. Objective: Improve Transport and Marketing Network

The most productive agricultural regions of Mauritania, those in the River Valley, are virtually cut off from the rest of the country during and following seasonal flash floods. Access is difficult during the remainder of the year because of poor or non-existent road links. The economic efficiency of moving inputs into the region or production out is low. Lack of transport available to the smaller producers makes their movement of any surpluses to regional markets extremely difficult. Marketing of agricultural products is further disrupted by public sector interventions

to control prices and monopolize distribution and purchasing. Basic transport networks are already complete in many areas of Africa. However, in Mauritania, the imperative remains to complete an all-weather network through the vitally important River Valley area.

- Implications:

- * Continue efforts to assist in the completion of an all-weather road network which will connect the southern agricultural belt to Nouakchott and other major population centers
- * Investigate means of promoting private sector supply of agricultural inputs and marketing of production
- * Assist farmers in acquiring improved methods of transport (even carts pulled by animals are an innovation in many areas)

- Benchmarks:

- * All weather asphalt road network linking Rosso to Gouraye through the Valley complete by the year 2000
- * The private sector to be well involved in the supply of agricultural inputs to Valley farmers; initial operational field research experiments with private sector marketing of agricultural surplus will have been undertaken (by the late 1980s)
- * Private sector initiatives will also be well underway involving the development of local transport systems (production of carts, inter-village transport of agricultural produce by privately owned vehicles, etc.)

e. Objective: Improve Productive Capacity, Increase Employment and Incomes

This is the ultimate objective to which all others contribute. As noted in the SDSS:

"Before production must come research/knowledge, trained personnel, institutions and an appropriate policy atmosphere."

Agricultural production, along with other forms of livelihood, such as herding, must produce the employment and income which will promote the stabilization of the Mauritanian River Valley population and contribute to overall food security for Mauritania. Such production implies comprehensive planning, the development of a substantial irrigation

infrastructure, and the social and economic sophistication essential for siting large-scale technological innovations in highly traditional environments. Our understanding is incomplete on many issues regarding development of the River Valley. We must move rapidly to simultaneously improve our understanding and apply lessons-learned to take advantage of the improved control of the River which will be afforded by the Manantali and Diama dams.

- Implications:

- * Participate in completion of the master regional plan for the development of the Middle and Upper Basin areas of the Senegal River to assure compatability with activities in the Mauritanian River Valley
- * Once planning is complete, target assistance to the most promising Valley areas not already targetted by other donors. Carry out socio-economic and technical field research required to determine optimum methods for agricultural growth in selected Valley areas
- * Proceed with the development of improved systems of water management and related production requirements at selected Valley sites

- Benchmarks:

- * All required Basin master planning complete in 1986
- * Most promising areas for AID assistance selected in 1986
- * Operations Research on optimum methods of production begun in 1985
- * Improvements involving road construction and water management development begun in 1986

B. Health, Nutrition and Population

1. Goal: Improve the Health status of the Mauritanian People with Special Emphasis on the "At Risk" Population: Children Under the Age of Five and Women of Reproductive Age

This goal conforms with Agency policy statements, all of which recognize the important links between morbidity/mortality and productivity. Improvement in health status is supportive of all our other developmental efforts in Mauritania.

The AID-financed health, nutrition and population program in Mauritania is designed to make a major impact on the health sector and the Mauritanian economy through selective interventions of relatively modest investment. One such high impact, low-cost activity, the immunization program, is considered fundamental to promoting a system of preventive health care and is therefore supported on a national scale by AID.

The AID-financed health sector consists of two major activities: A national immunization program (EPI) and a pilot village health worker (VHW) program that operates in one region at the moment but, to the extent successful, will be expanded to three regions during the coming five years. These two activities are complementary and are part of an integrated primary health care project which forms the centerpiece of AID's health activities. Smaller but important components of the AID-financed health program are interventions in population (family planning) and oral rehydration therapy (ORT). AID assistance to the government in ORT is just beginning. Our assistance in family planning consists of training and the provision of short term consultants.

The health program is now fixed by the parameters of these activities. It will remain so with the one possible exception of health surveillance and control as it relates to irrigated agriculture in the Mauritanian River Valley. AID is now in the process of determining its responsibilities and

capabilities in health related aspects of agricultural development in the River Valley.

The AID health program is augmented by a program supported through the private and voluntary agency, the Catholic Relief Service (CRS). This AID-financed program (PL480 Title II and outreach) provides food and education to 65,000 children and mothers in 31 feeding centers throughout the country, provides food to 3,300 indigent hospital patients and to 3,300 children enrolled in rehabilitative and community feeding centers and this year is engaged in drought relief activities. This program was evaluated last year and will be renewed annually providing progress is made toward implementing the evaluation recommendations.

AID-financed activities are designed to fit into existing government institutions and systems. Both the VHW and EPI activities follow from successful AID-supported pilot projects which preceeded the current project. The current project offers a limited number of preventative and curative services to a relatively large number of people. For example, the EPI program will reach 60 percent of the target population (420,000). The VHW activity will affect approximately 178,000 people with its program of primary health care, public health, ORT, first aid and growth monitoring.

This AID-supported VHW program is concentrated in those regions which descend to the River Valley, a geographical focus dictated by that area potential and our own overall program interests. The primary health care programs will be strengthened in, or expanded to, areas in the Trarza, Guidimaka and one other region. The project area includes approximately 31 percent of Mauritania's population, and 51 percent of the nation's cultivated land and contributes a total of 38 percent of the nation's agricultural output. Our current support of the "Trarza model" is designed to test its replicability in other regions of the River Valley.

2. Objectives, Implications, and Benchmarks

a. Objective: Design a Village Level Preventive Health Service System and Install It in Three Regions

Historically, the Mauritanian Government has focussed on urban-based curative health services. The Ministry of Health (MOH) is now aware of the importance of preventive medicine and of reaching the rural population. Policy reforms, including the appointment of newly returned doctors to field positions and the establishment of a national Primary Health Care Commission, are confirmation of broadened GIRM interest in preventative health.

- Implications:

- * Strengthen the national immunization program under the auspices of the Rural Health Services project
- * Train VHMs to provide education on such topics as personal hygiene and water sanitation in three regions
- * Promote use of standardized growth monitoring techniques as indicators of nutritional status
- * Encourage development of a national plan for prevention and treatment of diarrheal disease
- * Coordinate with CRS on nutritional monitoring techniques and curriculum development
- * Determine if AID should train an epidemiologist and establish a health surveillance and control system in the River Valley

- Benchmarks:

- * Vaccination of 60 percent of target population by 1988
- * Establishment of 150 trained village health worker teams in target regions by 1988
- * Existence of a national plan for prevention and treatment of diarrheal diseases by end 1984
- * Standardization of nutrition monitoring techniques and health/nutrition curriculum by end 1985
- * Presence in country of one trained Mauritanian epidemiologist by 1988

- * Existence of a functioning health surveillance and control system in the River Valley by 1988

b. Objective: Provision of Village-Supported, Affordable, Curative Services, to Include Treatment of the Most Prevalent Diseases/First Aid, and Diagnostic/Referral Services for Serious Illnesses

- Implications:

- * Train village workers capable of providing primary health care
- * Strengthen and expand community system for replenishment of medications by facilitating availability of pharmaceuticals
- * Establish two demonstration ORT units (ORUs) in Nouakchott

- Benchmarks:

- * 150 trained village health worker teams in place by 1988
- * Extension of the pharmaceutical distribution network to facilitate replenishment of medicines by VHWS for their communities by 1988
- * Phased extension of ORUs to regional health facilities by MOH, beginning 1985

c. Objective: Assist in the Promotion of a National Population Policy

Mauritania's population growth rate of 2.6 percent threatens even the existing low standard of living. Family planning is considered essential to the reduction of maternal and infant mortality rates. The GIRM, like many other African Governments, has shied away from official promotion of population planning activities. However, the drought-accelerated rural to urban migration has led to an increased interest in the effects of demographic changes as the GIRM becomes more aware of its limited capacity to provide public services to the growing numbers demanding them. Consequently the government is more open to consideration of population planning activities. This interest, combined with demands by women for services, may set the stage for overcoming the traditional lack of interest in family planning and the existing religious proscriptions.

AID will expand its support for family planning activities in concert with

the wishes of the government and/or private organizations that have governmental approval or acceptance. Our family planning activities proceed at the pace with which they can be absorbed. AID takes an active, though not activist, role in sponsoring family planning activities in Mauritania.

- Implications:

- * Use of short-term training programs to sensitize planners, physicians, nurses and midwives to family health concepts
- * Development and presentation of a family planning module for use at the National School for Public Health

- Benchmarks:

- * Exposure of all regional medical officers and midwives to family health concepts by the end 1987
- * Incorporation of family health module in curriculum of the National School for Public Health by mid-1985

d. Objective: Policy Reform

- Implications:

- * Promote MOH understanding of the complementarity of the various health services under its direction
- * Encourage integration of health activities including standardization of financial and administrative procedures, educational materials, and training programs
- * Promote private pharmaceutical supply system
- * Improve integration of CRS-supported activities into MOH system

- Benchmarks:

- * Increased coordination of MOH activities through the recently established National Primary Health Care Commission beginning in 1984
- * Use of standard training programs for all levels of health workers by 1988
- * Use of standard education materials by health workers by end 1986
- * For CRS: Standardized nutrition education materials and books by 1986. MOH assigns full time staff to coordinate activities with CRS (1987); collaboration on training programs (1986)

C. Food Aid and Disaster Relief

1. Goal: a. Food Security

Mauritania will be incapable of feeding itself or meeting its food deficit from commercial imports for the short to medium term under currently foreseen conditions. It will be reliant to a greater or lesser extent, depending on drought conditions, on donor support to meet a part of its food security requirements. The USG will assist Mauritania in meeting these continuing food needs within the context of a food aid program designed to promote policy reforms and foster increased production development activities.

Goal: b. Preservation of Life in Disaster Situations

The U.S. Government has always played a key role in assisting nations in the face of life threatening disasters or natural catastrophes. Such was the case during the major Sahelian drought of the early part of the last decade, and has been the case in 1983-84 when resurgent drought once again produced life-threatening conditions in Mauritania. Should the drought continue, so will U.S. attempts to mitigate its effects. Our entire program is aimed at assisting Mauritania in insulating itself from the worst effects of drought. As possible, USAID will assist also in the transfer of any technologies which will assist Mauritania in the prediction and early detection of drought conditions.

2. Objectives, Implications and Benchmarks

a. Objective: Promote Use of Food Aid as a Development and Policy Tool to Foster Food Security

Given Mauritania's present massive need for donor-supplied food, the potential is great for such aid to act as a disincentive to local production. Since the USG program is designed to promote domestic food security, all efforts must be made to program food aid resources in such a fashion that the goal of food security is advanced.

- Implications:

- * Continue use of P.L. 480 programs as a means of encouraging policy reform, particularly regarding raising the official sale price of sorghum and wheat marketed by the Commission on Food Security, the government's food relief agency
- * Promote use of substantial P.L. 480 proceeds in support of infrastructural and technical improvements in the Mauritanian River Valley
- * Promote use of PL 480 food aid to achieve health and nutritional education assistance (current program of Catholic Relief Service Maternal and Child Health Care centers)
- * Maintain of CSA role as "buyer of last resort" of farm produce

- Benchmarks:

- * Achievement of world-parity prices - plus cost of internal handling - for the sale of all donated grains by upward adjustments by 1990
- * Investment of approximately \$10 million equivalent in local currency over a five-year period to promote production-related developments in the Valley by 1988
- * Continuation of approximately four million dollars per year food distribution and health and nutrition program supported through CRS
- * Continuation of the CSA "buyer of last resort" program of offering incentive "farm-gate" prices for cereals

b. Objective: Establish Effective Planning and Management of Donated Food Resources

Mauritania's general lack of managerial and technical expertise has already been noted. Given the substantial magnitude of food aid being brought into the country every year through AID and other donor organizations, Mauritania must have the means at its disposal to properly plan and manage the acquisition, storage, distribution, and ultimate sale or donation of these commodities.

- Implications:

- * Make training available to GIRM officials who are involved in the storage of stocks, commodity marketing and financial management. This is a short-run measure designed to improve the operations of the parastatal (the CSA) which currently controls food aid distribution
- * Long-run, policy dialogues may generate GIRM support for transfer of some public functions to the private sector

- Benchmarks:

- * Well-trained core staff of five to eight managers/planners in place at CSA. This is already taking place gradually and should be largely complete by 1988
- * In-service training provided to up to one dozen CSA commercial section technicians by 1988
- * In-service training provided to up to one dozen CSA field inspectors by 1988
- * Discussions held with GIRM/CSA on possible divestiture of selected, commercially-oriented CSA functions to the private sector (e.g. storage and final distribution for example - transport is already largely in private hands)

c. Objective: Assist in Meeting Critical Human Needs in Disaster Situations

The most common crisis situations in Mauritania are drought related. Drought leads to the loss of animals and foodstuffs, subsequent malnutrition, increased levels of disease and, if conditions remain unalleviated, death. When drought reaches critical levels, our objective is

to prevent the worst consequences through emergency relief measures. Such relief measures, involving OFDA assistance, were implemented in 1984. If conditions do not change, then such relief measures will be necessary again in 1985.

- Implications (under continued drought conditions):

- * Use of emergency food, medical, and transport aid above normal Section 206 requirements (OFDA, FFP)
- * Use of funds and human resources to meet other emergency requirements related to the supply of medicines, provision of water resources, provision of shelter to refugees, etc.

- Benchmarks (under emergency program):

- * Level of mortality is held as close as possible to Mauritanian norms or better
- * Level of malnutrition and other disease indicators are held as close as possible to Mauritanian norms or better

(Note: Achievement of benchmarks for disaster relief depends on the entire spectrum of donor support, most of which is beyond AID's ability to control. Measurements of success will require periodic field surveys.)

d. Objective: Improve Mauritanian Ability to Protect Itself from Future Drought-Related Disasters

Weather prediction remains in its infancy but improvements in short-term forecasting are constantly being made and understanding of longer-term Sahelian climatological patterns is also increasing. AID will assist Mauritania, where possible, in becoming aware of these advances so that it may take advantage of this knowledge to better plan for the consequences.

- Implications:

- * This is a long-term objective. It requires only that USAID staff keep themselves up-to-date on developments in the field, particularly on information related to the AGRHYMET program and NOAA-supported climatological research

- Benchmarks:

- * Greater understanding by key GIRM staffers concerned with agriculture and meteorology of the state of research and productive capability in the meteorological field

IV. Resources

Approval of the interim AID Country Development Strategy has implications for the level of program funds required, the operating expense (OE) budget, and staffing. USAID/Mauritania foresees a program of somewhere between the approved (APPL) level of \$3.5 million and a larger \$7 million level during the FY 1986-87 period covered by this interim CDSS. We will need an OE budget of \$2.9 million dollars by FY 1986, a modest increase over current levels.

USAID foresees moving from the current position authorization of 12 DH to 14 DH. This is considerably fewer than the 19 DH positions in existence as recently as FY 1983 before AID's portfolio of agricultural assistance was terminated, but not so low as the ABS "control" level of nine given to us. We believe a level of nine to be unrealistic in that (a) it does not cover the positions actually encumbered or to be encumbered by persons in FY 1986 and, (b) it makes no provision for the program expansion accompanying our re-entry into agriculture as outlined in our FY 1986 CDSS proposals.

Our proposed direct-hire positions, broken down by their staff and implementation functions, are as follows:

<u>Staff</u>	<u>Implementation</u>
<u>Present</u>	<u>Present</u>
Director	Agr. Development Officer
Deputy Director	Food for Peace Officer
Program Officer	Health Officer
Project Dev Officer	General Development Officer
Management Officer	General Engineering Officer
Controller	
Executive Assistant	
<u>New</u>	<u>New</u>
Asst. Prog. Officer (FY86)	Supply Mgt. Officer (FY87)

ATTACHMENTS

- I. List of Other Donor Projects by Economic Sector**
- II. Totals of Donor Funding by Donor Grouping**
- III. Other Donor Activities in the Fishing Sector**
- IV. List of Emergency Food Aid by Donor**

OTHER DONOR PROJECTS BY ECONOMIC SECTOR - 1983A. Agricultural Sector

<u>DONORS</u>	<u>PROJECT LOCATION</u>	<u>DURATION</u>	<u>OBLIGATIONS (\$000)</u>
Abu Dhabi Fund	Gorgol Noire	1981-86	\$ 6,536
Islamic Bank for Dev. (BID)	Gorgol Noire	1981-86	4,743
Saudi Development Fund (FSD)	Gorgol Noire	1981-86	9,710
West German Dev. Agency (KFW)	Gorgol Noire	1981-86	6,048
International Dev. Agency (IDA)	Gorgol Noire	1981-86	11,704
International Fund for Agric. Dev. (IFAD)	Gorgol Noire	1981-86	7,803
Assistance and Cooperation Fund - French (FAC)*	Gorgol Noire	1981-86	353
European Development Fund (FED)*	Gorgol Noire	1981-86	9,732
Libya	Gorgol Noire	1981-86	10,000
World Food Program (WFP)	Gorgol Noire	1981-86	<u>6,402</u>
Gorgol Noire	SUBTOTAL		<u>\$73,031</u>
West German Dev. Agency (KFW)*	Boghe Plain	1980-85	\$20,033
Saudi Development Fund (FSD)*	Boghe Plain	1980-85	9,350
African Development Fund (FAD)	Boghe Plain	1980-85	7,263
World Food Program (WFP)*	Boghe Plain	1980-85	<u>836</u>
Bohge Plain	SUBTOTAL		<u>\$37,482</u>
N/A	Improvements of M'Bagne Basin I	1986-89	\$9,293
War-on-Want*	Integrated Develop- ment in Guidimaka II	1984-85	108
CRS/International* (Caritas)	Integrated Develop- ment in Gorgol	1983-85	817
CRS/International*	Improvements of the Affolo Basin	1983-85	20

*Grants (all others are loans)

Agricultural Sector (continued)

DONORS	PROJECT LOCATION	DURATION	OBLIGATIONS (\$000)
German Technical Assistance Agency (GTZ)*	Integrated Devel. of Tagant	1983-85	\$ 82
European Development Fund (EDF)*	Small Irr. Peri-meters, Kaedi	1983-85	48
Assistance and Cooperation Fund (FAC)* and Central Fund for Economic Coop. (CCCE)	Small Irr. Peri-meters	83-85	7,184
Netherlands	Small Village Perimeters, Trarza	83-85	1,682
International Dev. Assoc. (IDA) & Int. Fund for Agr. Dev. (IFAD)	Small Perimeters (SONADER)	84-86	13,000
Cultural and Technical Dev. Agency (ACCT)	Small and Medium Agric. and Livestock Projects	83-	1,500
Assistance and Cooperation Fund (FAC)*	Seed Center, Production, Research and Development	83-85	1,417
Netherlands through Food and Agr. Org. (FAO)*	Improvement of Post Harvest Operations Coops	83-85	940
FAO*	Food Security	83-84	691
UNDP; Italian Dev. Program, Soudano-Sahelian Office*	Develop. of Agr. and Animal Life Statistics	82-85	887
World Food Program - WFP*	Price Stabilization	82-84	8,312
World Food Program - WFP*	Emergency Aid	84-	11,259
UNDP*	Rural Development	84-86	<u>300</u>
Miscellaneous Agriculture SUBTOTAL			<u>\$57,720</u>
Agricultural Sector (all) SUBTOTAL			<u>\$168,233</u> *****

*Grants (all others are loans)

B. Livestock

<u>DONORS</u>	<u>PROJECT LOCATION</u>	<u>DURATION</u>	<u>OBLIGATIONS (\$000)</u>
European Dev. Fund (EDF)*	Livestock Dev., Southeast	83-86	\$ 3,203
International Dev. Association (IDA)	Livestock Dev., Southwest	83-	13,000
BID	Farm and Coop Sheep Production Training	83-84	277
FAC	Animal Health	83-84	<u>378</u>
	Livestock SUBTOTAL		<u>\$16,858</u>

C. Water

German Dev. Agency (KFW)*	Tagant Dams	84-86	\$ 1,588
Kuwait and Italian Dev. Program	Hydrology, Pastorage and Village Dev.	84-86	3,900
UNDP, UNCDF, UNSO, and UNED	Construction and Improv. of Earth-Dams	81-84	4,496
FAD, UNSO	36 Well Drillings	81-85	4,819
Kuwait	Hydrology	83-85..	1,800
UNDP and UNICEF	Repairs of Wells	83-86	1,500
Saudi Development Fund (FSD)	Well Drilling and Rural Development	83-85	5,560
Iraq	Training of five Hydrology Brigades	82-84	1,540
UNDP	Repairs of Irrigation Equipment	83-	500
FED	Pipeborne Water Supply, Three Regional Centers	84-86	2,111
Arab Fund for Econ. and Social Dev. (FADES); and UNICEF	Potable Water in Rural Zones	83-85	<u>1,492</u>
	Water SUBTOTAL		<u>\$29,306</u> *****

*Grants (all others are loans)

D. Environmental Production

<u>DONORS</u>	<u>PROJECT LOCATION</u>	<u>DURATION</u>	<u>OBLIGATIONS (\$000)</u>
FED	Regeneration of Gum Trees	83-86	\$ 1,000
FADES	Study of Oasis and Gum Trees	84-85	406
Algeria, UNSO; UNDP; & WFP	Dune Fixation	84-85	5,428
Kuwait; FSD	Struggle against Desertification	84-85	9,000
ACCT	Pilot Project for Dune Fixation	83-84	31
Environmental Protection SUBTOTALS			<u>\$15,865</u> =====

E. Health

FED	Extension of Kaedi Hospital	81-84	\$ 1,689
Iraq	NKC Hospital Extension	82-84	745
WFP	Women's Aid Center and Children's Day-Care Center	82-86	1,108
FAC*	Public Health Aid	83-85	945
UNICEF	Introduct. of Nutrition Health in Educ. & Support of Nat'l Education Effort	82-86	2,000
Health SUBTOTAL			<u>\$6,487</u> =====

F. Human Resources

IDA; FAD; FED; and KFW	3rd Education Project	83-86	13,603
FSD*	Extension of ENS	83-84	2,039
FAD	Extension of ENISF	83-84	1,336
UNDP; and UN Fund for Population Activities (UNFPA)	Ctr for Demographic & Social Studies	82-84	1,700
Qatar	Asst. for Implem. of Educ. Programs	83-84	1,000
FAC*	Support of Scientific Research (CNROP, AGRO)	83-84	650
Human Resources SUBTOTAL			<u>\$20,328</u> =====

*Grants (all others are loans)

G. Roads			
DONORS	PROJECT LOCATION	DURATION	OBLIGATIONS (\$000)
FSD	Timbedra-Nema	82-84	\$24,275
European Econ. Community (EEC)*	Nouakchott-Rosso	83-84	4,060
FADES	4th Roads Project	83-86	5,352
FAC*	Feasibility Study of NKC-Nouadhibou Rd	82-83	396
UNSO* (Earlier portion of USAID Rural Roads Project 682-0214)	Improvement of Secondary Roads (M'Bout-Selibaby)	80-83	<u>4,300</u>
	Roads SUBTOTAL		<u>\$38,383</u>
		GRAND TOTAL	<u>\$295,460</u> =====

*Grants (all others are loans)

TOTALS OF DONOR FUNDING IN MAURITANIA BY DONOR GROUPING

<u>ARAB STATES/ORGANIZATIONS</u>	<u>CUM. DISBURSEMENTS THRU 1983 (\$000)*</u>	
	<u>LOANS</u>	<u>GRANT</u>
Abu Dhabi	\$ 50,984	\$15,000
Algeria	32,040	3,496
Saudi Arabia	259,631	53,362
Islamic Development Bank (BID)	22,807	803
Arab Fund for Economic and Social Development (FADES)	107,558	1,150
Iraq	82,869	13,458
Kuwait (FKDEA)	141,528	17,350
Libya	25,000	2,017
Organization of Petroleum Exporting Countries (OPEC)	11,800	-
Qatar	-	1,701
Arab States TOTALS	\$734,217	\$108,337
	*****	*****
<u>EEC COUNTRIES</u>		
	<u>LOANS</u>	<u>GRANT</u>
Federal Republic of Germany	\$47,267	\$25,816
EEC; FED; and European Investment Bank (BEI)	27,450	67,401
Italy	5,842	1,500
France; FAC; and CCCE	58,448	20,162
Netherlands	-	12,360
European TOTALS	\$139,007	\$127,239
	*****	*****

*One dollar equals 57.03 UM

<u>OTHER COUNTRIES AND ORGANIZATIONS</u>	<u>CUM. DISBURSEMENTS THRU 1983 (\$000)</u>	
<u>ORGANIZATIONS</u>	<u>LOANS</u>	<u>GRANT</u>
ADB; FAD; and ECOWAS	\$66,358	\$ -
World Bank (IBRD); and IDA	153,351	-
Canada (CIDA)	9,708	-
Peoples Republic of China (PRC)	198,496	-
Brazil	25,000	-
Spain	23,000	-
Korea	-	3,000
Japan (OECF)	17,032	3,945
International Fund for Agric. Development (IFAD)	<u>12,035</u>	<u>903</u>
Other TOTALS	<u>\$504,980</u>	<u>\$7,848</u>

United Nations Group (\$000): \$88,624, all grants.

ACTIVITIES OF OTHER DONORS IN THE FISHING SECTOR IN MAURITANIA

<u>DONOR</u>	<u>DURATION</u>	<u>IDENTIFICATION OF PROJECT</u>	<u>LOAN GRANT</u>	<u>AMOUNT* (\$000)</u>
Algeria	1980	Shareholding, ALMAP***	loan	\$ 2,040
Saudi Arabia	83-84	Development of Fishing	grant	700
ADB; ADF; and ECOWAS	83-84	Institute of Marine Research (ISTH)	loan	2,500
IDB	83	ISTH	loan	4,166
EEC	83	Studies on the Access of the European Markets	grant	10
EEC	83	Revitalization of Coastal Fishing Villages	grant	1,200
EEC	83	Fund to Encourage and Fishing Guaranty	grant	900
Korea	83	Naval Repair Facility	grant	3,000
FAC	80-85	To Modulate and Research Fishing Projects	grant	2,390
FAC	84-86	Marine Surveillance	grant	991
Iraq	79	Shareholding, SAMIP***	loan	9,500
Libya	-	Shareholding, Salimaurem***	-	15,000
Japan	82-83	Supply of Materials for Artisanal Fishing	grant	3,945
United Nations	74-81	Development of Marine Fishing	grant	784
United Nations	81-84	Development of Artisanal Fishing	grant	1,164
OPEC	83-85	Institute of Science and Fishing Technology	loan	3,500

Other Donor Loans in the Fishing Sector: TOTAL \$36,700

Other Donor Grants in the Fishing Sector: TOTAL \$15,084

Other Donor Fishing Sector Grants and Loans: TOTAL \$51,790

*One dollar equals 57.03 UM

**African Dev. Bank; African Dev. Fund; and Economic Council of West African States

***Joint Fishing Ventures

FOOD AID TO MAURITANIA (CEREALS)*
(as of 28 March 1984)

<u>DONORS</u>	<u>YEAR</u>	<u>COMMODITIES</u>	<u>METRIC TONS</u>	<u>MONTHS OF ARRIVAL</u>
Federal Republic of Germany	1983	Wheat	9,000	October/November 1983
World Food Program	1983	Wheat	5,000	Oct/Nov 1983
Spain	1983	Wheat	4,000	November 1983
Spain	1983	Barley	500	November 1983
Lybia	1983	Barley	3,000	November 1983
Roumania	1983	Flour	1,000	November 1983
Algeria	1983	Flour	2,000	December 1983
Holland	1983	Wheat	3,000	December 1983
Holland	1984	Flour	6,000	Jan/Feb 1984
U.S.	1983	Wheat	5,000	Nov 83/Feb 84
U.S.	1983	Sorghum	5,000	Nov 83/Feb 84
Canada	1983/84	Wheat	8,000	Jan/Feb 1984
European Economic Community	1983	Wheat	7,000	March 1984
U.S. (Emergency for Food Aid)	1984	Wheat	12,870	Feb/Mar 1984
France	1984	Wheat	4,000	March 1984
World Food Program	1984	Wheat	3,000	March 1984
World Food Program	1984	Wheat	7,550	April 1984
World Food Program	1984	Wheat	5,000	May/June 1984
European Economic Community	1983/84	Wheat	5,000	May/June 1984
World Food Program	1984	Wheat	3,000	June 1984
France	1984	Wheat	6,000	July 1984
Mauritanian Red Crescent	1984	Wheat/ Rice	5,000	July 1984

*Source: World Food Program

Saudi Arabia	1984	Wheat	10,000	April/May 1984
World Food Program	1984	Wheat	5,000	July 1984
Federal Republic of Germany	1984	Wheat	6,000	Unknown
European Economic Community	1984	Wheat	17,000**	Unknown
Spain	1984	Wheat	4,000	Unknown
U.S.	1984	Wheat	5,000	June/July 1984
U.S.	1984	Sorghum	5,000	June/July 1984

Food Aid to Mauritania: TOTAL

161,920 Metric Tons

** Not confirmed

COUNTRY DEVELOPMENT STRATEGY STATEMENT,

PN-AAW-809

FY 1986 : MAURITANIA

1 OF 1 (24X)

1984

COUNTRY DEVELOPMENT STRATEGY STATEMENT